



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

November 2011

The County Council and County Executive
of Prince George's County, Maryland

Re: Departure of Charles W. Wilson, Director
Department of Environmental Resources.

INTRODUCTION AND SCOPE OF EXAMINATION

Conforming to Article III, Section 313 of the Charter for Prince George's County, Maryland, we have performed a special audit of the accounts of the Office of the Director of the Department of Environmental Resources. This audit was initiated due to the retirement of Mr. Charles W. Wilson from the position of Director of the Department of Environmental Resources, effective December 31, 2010.

Our examination included tests of the accounting records and other auditing procedures, as we considered necessary under the circumstances. Consideration was given to the fact that these records were included in the scope of the County's annual financial audit conducted by Clifton Gunderson, LLP, independent auditors, for the year ended June 30, 2010, and no discrepancies or irregularities were disclosed. Therefore, we primarily directed our examination to include a review of Mr. Wilson's travel advances, expense reimbursements, leave records, and selected expense accounts for the period July 1, 2010 through December 31, 2010.

The County Council and County Executive
Page -2-

FINDINGS, COMMENTS, AND RECOMMENDATIONS

Expenditures, Encumbrances and Commitments

A statement of expenditures, encumbrances and commitments compared with appropriations for the Office of the Director of the Department of Environmental Resources, for the period July 1, 2010 through December 31, 2010, is presented on Schedule 1 of this report. As of December 31, 2010, total expenditures and encumbrances did not exceed total appropriations for the Office of Director of the Department of Environmental Resources.

Travel Advances and Expense Reimbursements

We reviewed the travel advances records maintained by the Office of Finance, Accounting Division, for the period July 1, 2010 through December 31, 2010, and determined that Mr. Wilson did not have any unsettled travel advances at the time of his departure from the County. We also reviewed expense reimbursements paid to Mr. Wilson for the period July 1, 2010 through December 31, 2010 and found no discrepancies or irregularities.

Leave Records and Final Pay

We verified final pay computations for Mr. Wilson based on leave records maintained by the Payroll Section of the Office of Finance and verified the salary and hourly rate of pay maintained by the Office of Human Resources Management and found no discrepancies or irregularities.

Petty Cash Account

The departing Director was the custodian of record of a petty cash account. We reviewed the petty cash records, and performed a petty cash count and determined that the petty cash account was operated in compliance with established requirements. We further determined that the petty cash account has now been formally transferred to the new Director of Environmental Resources, who is now the new custodian of record for that petty cash account.

Fixed Assets

The Fixed Assets Procedures Manual prepared by the Office of Finance requires that the Office of Central Services' General Services Division, upon departure of any agency head, take inventory of only those fixed assets for which the agency head has signed an Equipment Custody Receipt (PGC Form # 1890) form. It further requires that the unexplained loss of any such fixed assets be reported to the Chief Administrative Officer, who is to take action to recover the cost of the assets. We contacted personnel within the General Services Division and determined that no fixed assets were assigned to Mr. Wilson.

Our review also included the verification of County issued non-fixed asset items such as cell phone, personal digital assistant, County identification and security card, keys, laptop equipment, etc. This review included an examination of personnel records maintained by the Office of Human Resources Management (OHRM) and the Office of Finance's Payroll section on terminated employees. When an employee is terminated from County service, an Employee Separation Form (OHRM Form # 4281) is filled out by each employee

The County Council and County Executive
Page -4-

as a part of the exit process. Form #4281 records the return of assigned County personal property and normally a copy can be found in the terminated employee's personnel file. At the time of our review we determined there was a Form #4281 in the personnel file documenting the return of County issued non-fixed assets and all County personal property issued to Mr. Wilson was collected and properly accounted for.

Financial Disclosure Requirement

Section 2-294(c) (1) of the Prince George's County Code requires certain officials, employees, and candidates for office (among them the Director of the Department of Environmental Resources) to file financial disclosure statements. Council Bill 125-1984, effective February 4, 1985, modified Section 2-294(c) (1) of the County Code, by adding the following requirement:

“Any official or employee who is required to file a statement and who leaves office or employment for any reason, other than the official's or employee's death, shall file, within sixty (60) days of leaving office or employment, the statement required by this Section, for the calendar year immediately preceding, unless a statement has previously been filed for that year, and any portion of the current calendar year during which that official or employee held office or employment.”

Mr. Wilson filed a final financial disclosure statement with the Prince George's County Board of Ethics for the reporting period January 1, 2010 through December 31, 2010.



David H. Van Dyke, CPA
County Auditor



Emmanuel C. Nwachukwu
Auditor-In-Charge

OFFICE OF THE DIRECTOR, DEPARTMENT OF ENVIRONMENTAL RESOURCES
STATEMENT OF EXPENDITURES AND ENCUMBRANCES
COMPARED WITH APPROPRIATIONS FOR THE PERIOD
JULY 1, 2010 THROUGH DECEMBER 31, 2010

	Compensation	Fringe Benefits	Other Operating Expenses	Expenditure Recoveries	Total
<u>Appropriations</u>					
Current Year	\$1,392,500	\$465,300	\$65,600	(\$1,481,400)	\$442,000
Prior Year			4,477		
Total Appropriations	\$1,392,500	\$465,300	\$65,600	(\$1,481,400)	\$442,000
<u>Expenditures and Encumbrances</u>					
Current Year:					
Salaries					
Officials and Administrative	\$390,301	-	-	-	\$390,301
Professionals	155,630	-	-	-	155,630
Other	7,794	-	-	-	7,794
Telephone	-	-	3,947	-	3,947
Duplication & Reproduction	-	-	352	-	352
Training Costs	-	-	248	-	248
Office & Operating Supplies	-	-	1,454	-	1,454
Expenditure Recoveries	-	-	-	(420,868)	(420,868)
Fringe Benefits	-	131,323	-	-	131,323
Total Current Year Expenditures and Encumbrances	\$553,725	\$131,323	\$6,001	(\$420,868)	\$270,181
Prior Year Costs:					
Equipment Rental/Lease	-	-	\$4,477	-	\$4,477
Total Expenditures and Encumbrances	\$553,725	\$131,323	\$10,478	(\$420,868)	\$274,658
Unencumbered Balance as of December 31, 2010	\$838,775	\$333,977	\$59,599	(\$1,060,532)	\$171,819